

October 8, 2004

Honorable James H. Welsh
Commissioner of Conservation
Department of Natural Resources
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

RE: 10,400' Sand, Reservoir B
Big 2 Zone, Reservoir B
LAPEYROUSE FIELD
Terrebonne Parish, Louisiana

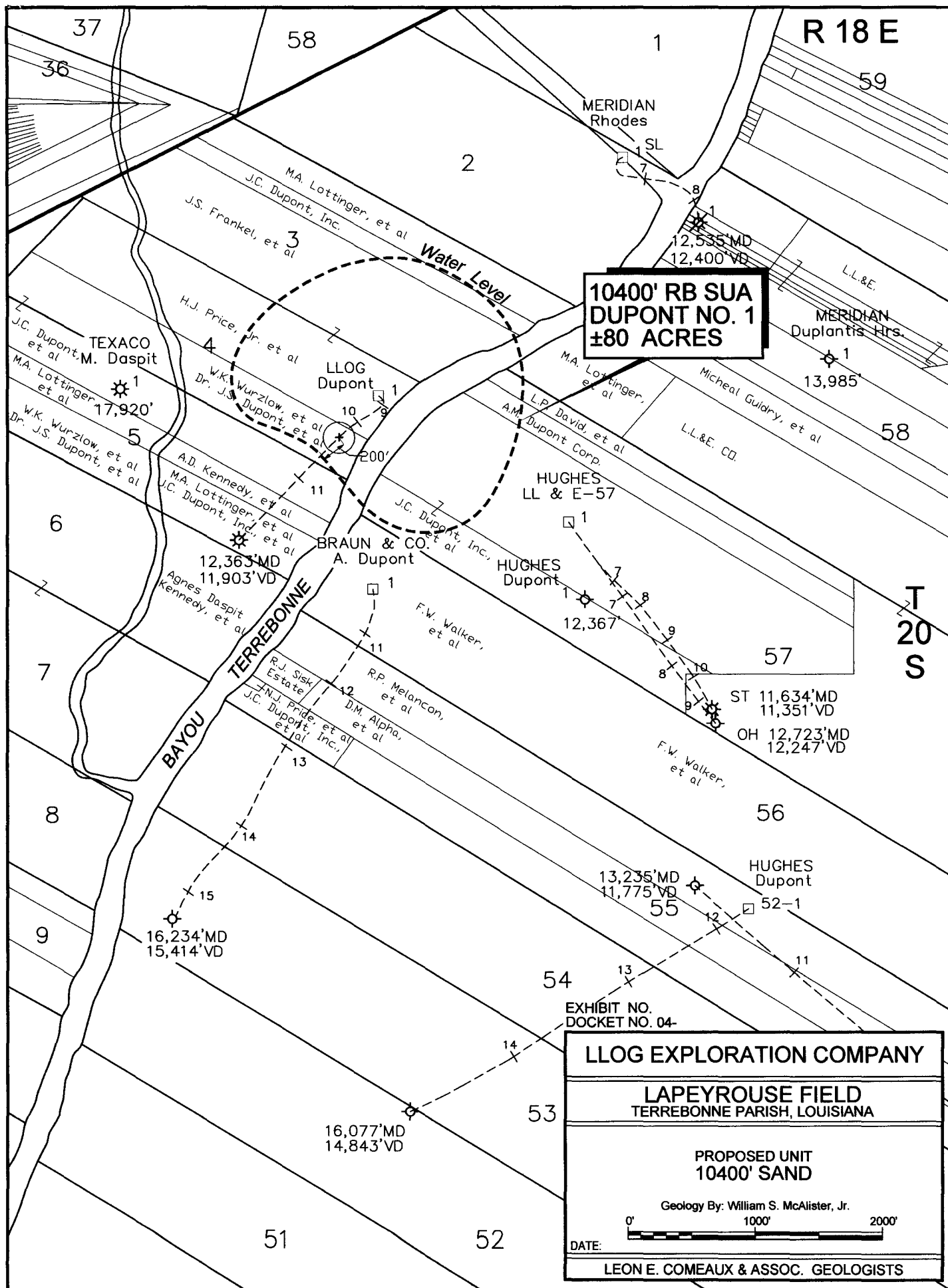
Dear Sir:

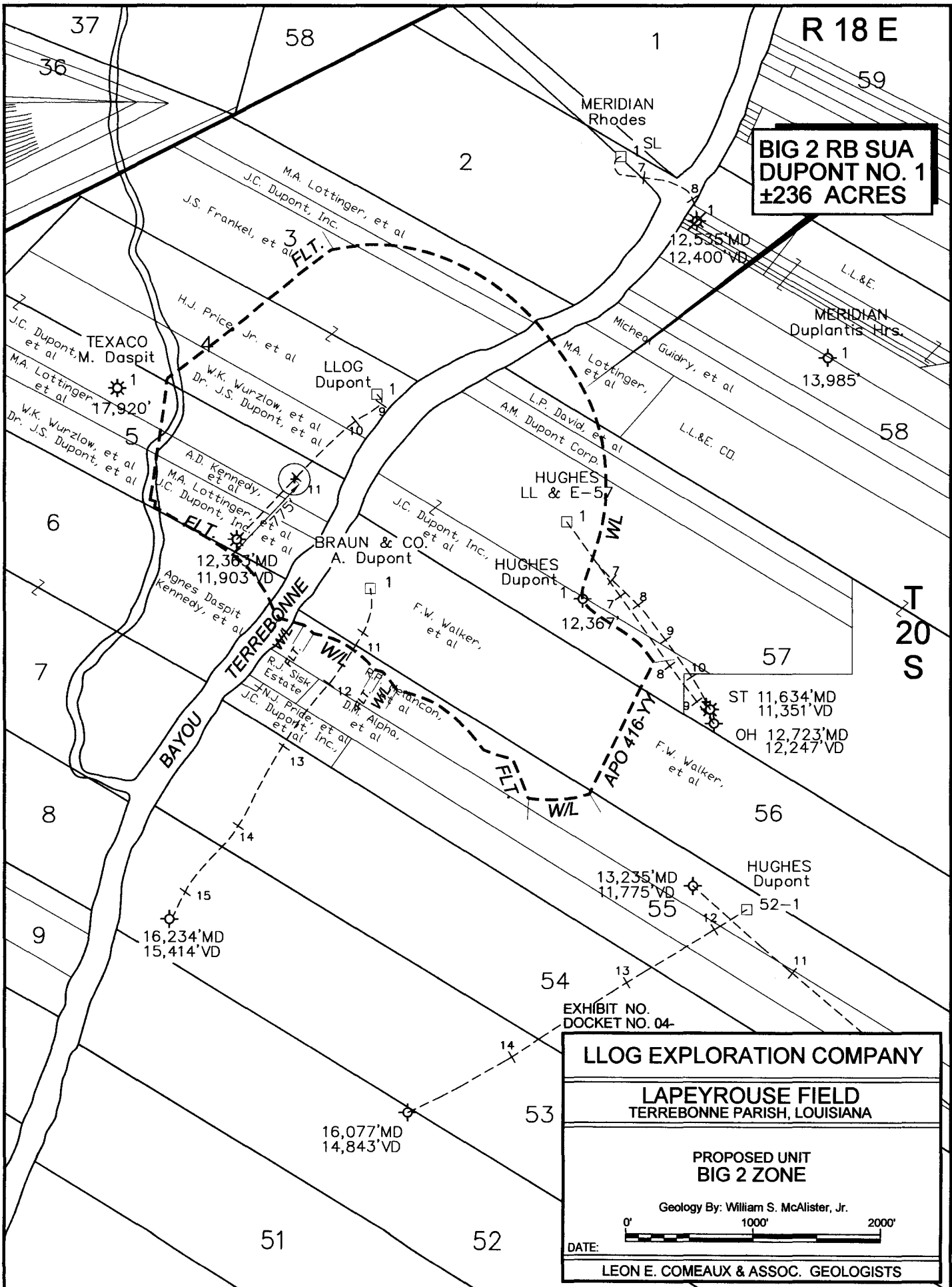
Application is hereby made on behalf of LLOG Exploration Company, L.L.C. to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the 10,400' Sand, Reservoir B and the Big 2 Zone, Reservoir B, in the Lapeyrouse Field, Terrebonne Parish, Louisiana.

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the 10,400' Sand, Reservoir B and the Big 2 Zone, Reservoir B, in the Lapeyrouse Field, Terrebonne Parish, Louisiana.
2. To create a single drilling and production unit for this sand and this zone and to force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created.
3. To designate a unit operator and a unit well for the units so created.
4. To provide that any wells drilled outside of the 10,400' Sand, Reservoir B and the Big 2 Zone, Reservoir B, shall be in accordance with the spacing provisions of Statewide Order No. 29-E.
5. To provide that the Commissioner may reclassify the Reservoirs by supplemental orders and without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished the Commissioner.
6. To discuss any other matters that may be pertinent to this application.

The 10,400' Sand, Reservoir B, in the Lapeyrouse Field, Terrebonne Parish, Louisiana, is hereby defined as that gas and condensate bearing sand encountered between the electrical log measured depths of 10,541' and 10,568' (10,444' to 10,466' true vertical depths) in the LLOG Exploration Company, L.L.C. - Dupont No. 1 Well, located in Section 4, Township 20 South, Range 18 East, Terrebonne Parish, Louisiana.

The Big 2 Zone, Reservoir B, in the Lapeyrouse Field, Terrebonne Parish, Louisiana, is hereby defined as that gas and condensate bearing sand encountered between the electrical log measured depths of 11,288' and 11,422' (11,055' to 11,164' true vertical depths) in the LLOG Exploration Company, L.L.C. - Dupont No. 1 Well, located in Section 4, Township 20 South, Range 18 East, Terrebonne Parish, Louisiana.





**BIG 2 RB SUA
DUPONT NO. 1
±236 ACRES**

LLOG EXPLORATION COMPANY

LAPEYROUSE FIELD
TERREBONNE PARISH, LOUISIANA

**PROPOSED UNIT
BIG 2 ZONE**

Geology By: William S. McAlister, Jr.

0' 1000' 2000'

DATE: _____

LEON E. COMEAUX & ASSOC. GEOLOGISTS